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**City of
Largo, Florida**

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Service Is Our Business

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January 26, 1993

Federal Communications Commission
1919 M Street
Room 242, 1800E4
Washington, D.C. 20554

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MAY - 4 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Sir:

In response to the proposed rate regulation rules and rulemaking procedures initiated by the FCC concerning the Cable Television Consumer Protection and Competition Act of 1992, the City of Largo, as a franchising authority, supports rules on rate structures to protect the interests of cable subscribers.

Congress enacted this Act because it felt cable subscribers were being charged excessive rates by cable operators. An important part of the Act to local franchising authorities are the provisions governing the establishment of reasonable rates for basic cable service. Most CATV operators presently charge approximately \$18.75 per month for the basic tier of service, but only \$4.20 for the next tier of the 20 cable networks. If "reasonable" cost standards are established by the FCC, then the Act provides that the CATV subscriber should be able to elect to receive only the basic service tier for \$11.50 per month, or half the combined rate. This would achieve, for the citizens, a reduction of 38.6% of the cost for basic cable service from what is presently being paid.

Without proper FCC rate regulation rules, cable operators could ultimately succeed in achieving higher cable rates through FCC regulations. While the concept of determining a reasonable rate is a simple one, the FCC could adopt rules which establish so many technical barriers that cable franchising authorities would be unable to secure the rights from the FCC that Congress gave the public.

Since the City of Largo, as well as most communities in the State of Florida, has a high percentage of retired residents on fixed income, we would urge the Federal Communications Commission, if possible, to adopt rules which encourage the very lowest possible basic service rates and which would protect cable